

INDUSTRIAL INDICATORS

ECONOMIC INDICATORS **CNI**

CNI

Brazilian National Confederation of Industry
THE FUTURE OF INDUSTRY

Industry closes a year of crisis with growing activity levels






The industrial activity closes 2020 continuing the industry's recovery cycle after the crisis caused by the pandemic. In December 2020, the seasonally-adjusted indices measuring real sales, hours worked in production, employment, and Capacity Utilization grew in relation to November. These indices show an upward trend since the most critical period of the pandemic.

Seasonally-adjusted real sales increased 1.6% in December. This index closes 2020 with a level 0.8% higher than 2019, despite the pandemic.

Hours worked in production experienced a 2.5% increase in December, on a seasonally adjusted basis. This marks eight months of uninterrupted growth, with an accumulated high of 38% between May and December, but still insufficient to compensate for the losses in March and April. The year closes with a 4.1% decline in comparison with 2019.


The seasonally-adjusted index measuring employment increased 0.2% in December. This is the fifth consecutive monthly grow. However, the sequence of highs does not reverse the decline brought by the pandemic. In the yearly figure for 2020, the number of employees in the manufacturing industry dropped by 2.1% compared to 2019.

Industrial Indicators - December 2020

		PERCENTAGE CHANGE		
		DEC20/NOV20 Seasonally adjusted	DEC20/ DEC19	JAN-DEC20/ JAN-DEC19
	Real sales¹	1.6	13.2	0.8
	Hours worked in production	2.5	9.7	-4.1
	Employment	0.2	0.0	-2.1
	Real total payroll²	-0.8	-5.0	-5.6
	Real average earnings²	-3.4	-5.0	-3.7

¹ Deflator: IPA/OG-FGV

² Deflator: INPC-IBGE

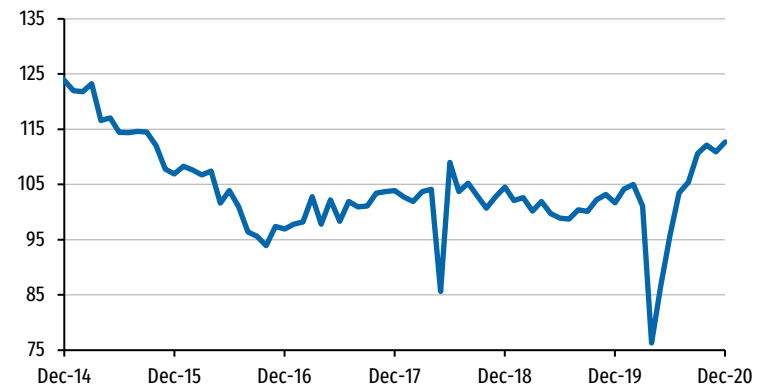
		AVERAGE PERCENTAGE			CHANGE IN PERCENTAGE POINTS
		DEC20	NOV20	DEC19	
	Capacity Utilization	Seasonally adjusted			
		80.6	79.9	77.8	0.7 p.p. Dec20/Nov20
		Original			
		78.4	80.8	75.6	2.8 p.p. Dec20/Dec19

Real sales in 2020 surpass the levels recorded in 2019, despite the pandemic

The seasonally-adjusted real sales of the manufacturing industry increased 1.6% in December 2020 in relation to November, after dropping 1.1% in the previous month. This result resumes the growth trend of real sales. The index measuring real sales is 13.2% above the level recorded in December 2019 and closes 2020 0.8% higher than 2019, despite the pandemic.

Real sales

Seasonally adjusted (fixed-base index: 2006 average = 100)



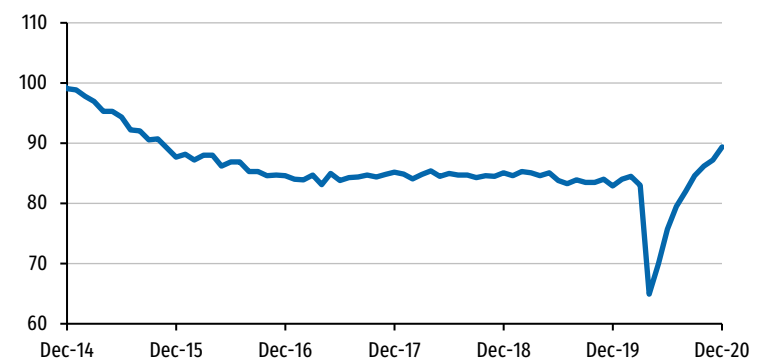
Deflator: IPA/OG-FGV

Hours worked increased for the eighth consecutive month

The index measuring hours worked in production grew by 2.5% in December 2020 in relation to November, on a seasonally adjusted basis. This marks the eighth consecutive monthly growth, with an accumulated 38% growth in the period. Compared to December 2019, the hours worked grew by 9.7%. However, the comparison between the accumulated in 2020 and in 2019 shows a 4.1% decline.

Hours worked in production

Seasonally adjusted (fixed-base index: 2006 average = 100)

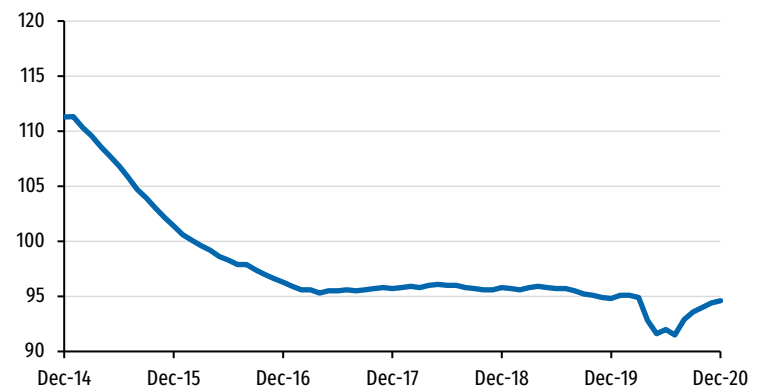


Employment continues to recover

In December 2020, employment in the manufacturing industry grew 0.2% compared to November, on a seasonally adjusted basis. With the growth in December, employment records five consecutive monthly increases, accumulating 3.4% growth in the period. Despite the consecutive increases, this growth is not enough to reverse the losses caused by the pandemic. In the yearly figure for 2020, employment dropped by 2.1% in comparison with 2019.

Employment

Seasonally adjusted (fixed-base index: 2006 average = 100)

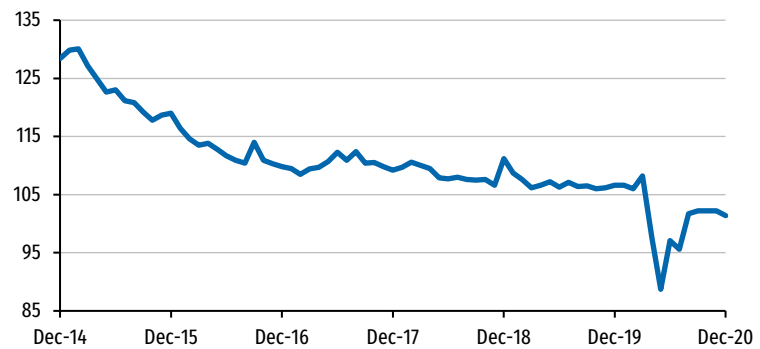


Decline in total payroll

The seasonally-adjusted total payroll paid by the industry dropped by 0.8% in December 2020 compared to November 2020. This marks a drop after two months of stability. Total payroll is down 5% compared to December 2019 and accumulates a 5.6% drop when comparing the yearly figures for 2020 and 2019.

Real total payroll

Seasonally adjusted (Fixed-base index: 2006 average = 100)



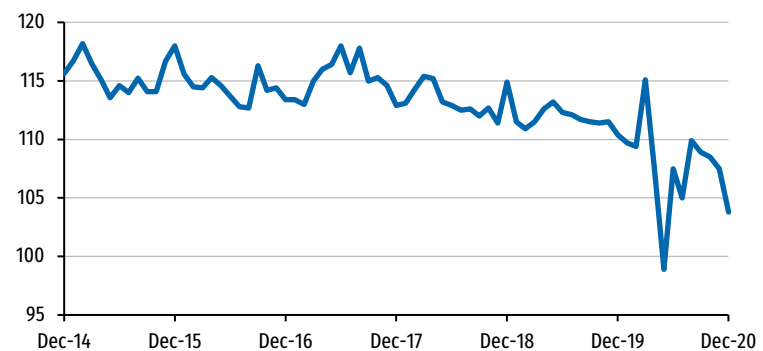
Deflator: INPC-IBGE

Average income continues to fall

The seasonally-adjusted average income paid to industry workers fell by 3.4% in December 2020 compared to November 2020. Compared to December 2019, average income is 5% lower, and in the yearly figure for 2020 it is also 3.7% lower compared to 2019.

Real average earnings

Seasonally adjusted (Fixed-base index: 2006 average = 100)



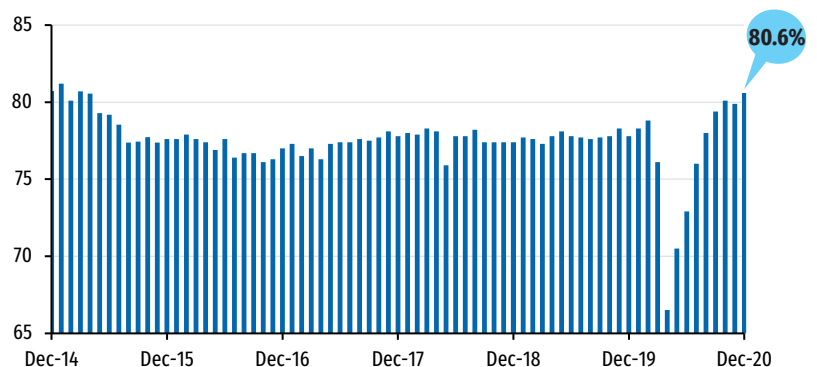
Deflator: INPC-IBGE

Capacity utilization closes the year above 80%

Seasonally-adjusted Capacity Utilization reached 80.6% in December 2020, due to a 0.7 percentage point growth in relation to November. Capacity Utilization in December is 2.8 percentage points higher than the level recorded in December 2019 (78.4% compared to 76.8%, according to original data, before seasonal adjustment). The average Capacity Utilization in 2020 is 1.3 percentage points (76.4%) lower than the 2019 average (77.8%).

Capacity utilization (UCI)

Seasonally adjusted (Average percentage)



Learn more

For more information on the survey, including sectoral results, previous editions, methodology and historical series, visit: www.cni.com.br/e_industriais

Document closed by February 3, 2021.

INDUSTRIAL INDICATORS | English version of "Indicadores Industriais Dezembro 2020" | Monthly Publication of the National Confederation of Industry - CNI | www.cni.com.br | Industrial Development Board - DDI | Economics Department - ECON | Executive manager: Renato da Fonseca | Economic Analysis Unit - GAE | Manager: Marcelo Souza Azevedo | Analysis: Renato da Fonseca | Statistics Unit | Manager: Edson Velloso | Team: Aretha Silicia Lopez Soares, Edson Velloso and Priscila Garcia | Editing Unit - CDIV | Coordinator: Carla Gadêlha | Graphic Design: Simone Marcia Broch

Customer Service - Phone: +55 (61) 3317-9992 - email: sac@cni.com.br

This publication may be copied, provided that the source is cited.

